

Presentation Before the Senate Committee on Higher Education

April 9, 2009

James H.Q. Lee

University of Hawaii Board of Regents

Senator Tokuda, members of the Senate Committee on Higher Education. I am honored to have been nominated for a position on the University of Hawaii Board of Regents. I thank you for this opportunity to speak to you and to answer any questions which you may have in your consideration of my confirmation to the University of Hawaii Board of Regents.

I was born and raised in Honolulu. I grew up in Kapahulu where my family owned and operated Hee Hing Restaurant. I attended and graduated from Iolani School and the University of Hawaii at Manoa, receiving a Bachelor of Business Administration degree, majoring in accounting in 1978 and a law degree in 1981.

I am a licensed certified public accountant and a licensed attorney. I have practiced law since 1981 concentrating in tax matters and real estate transactions. My business experiences include starting and operating Sam Choy's Restaurants in Honolulu, Guam and Japan and family real estate developments.

The University of Hawaii has a vital role in shaping the future of Hawaii. The University sets the direction for the socio-economic future of the State through the programs which it offers and through the community, business, and political leaders who graduate from the University.

As an alumnus of the University of Hawaii and citizen of the State, I have always been proud of the University and had the desire to see the University excel as Hawaii's institution of higher education. I want to contribute to the University by helping it attain the status as being one of the premier institutions of higher education in the United States by focusing in the areas which it excels. I also want to see the University establish and become a leader in programs which are relevant to the State. I want the University to be an institution in which you and I can send our children with confidence. As a member of the Board of

James H.Q. Lee
Reponses to Senate Committee on Higher Education
Questions for Board of Regents

1. What motivated you to apply to be a member of the Board of Regents and what skill sets and experiences do you bring to the table that will help move the University forward?

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The State is at a crossroad in its economy. Tourism is currently Hawaii's number one industry. However, our tourism industry is a mature industry which will not create many more new jobs. We are too reliant on tourism and need to diversify our economy. We can continue to be a tourism and service based economy which is dominated by lower paying jobs and lose our best and brightest to the mainland or in the alternative, diversify and turn our focus on intellectually based industries such as technology. By way of example, Hawaii can be at the forefront of the alternative energy movement. Diversification of our economy with technology based industries would lead to a stronger economy and allow Hawaii to keep its best and brightest at home by having higher paying intellectual jobs available. The University has a major role to play in

determining the path which the State will take. The Board of Regents in its oversight of the University, has the opportunity to make sure that the University's programs have technology education available and integrated in the University system.

I am a licensed CPA and a licensed attorney and have practiced law for almost thirty years in Hawaii concentrating in the areas of taxes and real estate. In addition to my accounting and legal skills, I have a great deal of business experience. I have established and managed many businesses. As the former managing director of Let's Eat, Hawaii, I have financed, built and operated Sam Choy's Restaurants in Hawaii, Guam and Japan as well as created a salad dressing and sauce line. I have practical real estate experience and have developed and marketed real estate projects.

My business and legal experience, coupled with my accounting background provide me with the skills and tools necessary to make the decisions to move the University forward.

2. What specific short and long term goals do you have for improving the University?

In the short term, the University needs to overcome the financial and budget crisis. The University is directly affected by the financial crisis which has engulfed the State and the rest of the world. Given the current state of the economy, funding of the University is not expected to normalize for at least another two or three years. The University needs to revise its budget to comport with the funds which it has available. It needs to make the decisions as to what programs or parts of programs, to fund and what programs or parts of programs, not to fund. As part of the budget review process, there should be a determination made as to whether the University can avail itself to other sources of funds such as funds which are being distributed through the Federal Stimulus Package and the American Recovery and Reinvestment Act.

For the long term, the University needs to 1) make sure that there is a place in the University system for qualified students who want to further their education after graduation from Hawaii's high schools; 2) improve the retention and graduation rates of those who choose to continue their education at the University; 3) review all University programs to ensure that they are relevant and eliminate those programs which are not relevant; 4) initiate new programs which are relevant to Hawaii and its economy; and 5) secure funding and grants from sources outside the State of Hawaii to fund research and other University programs.

3. As a Regent, what will be your top three priorities for the University?

As a Regent, my top three priorities for the University will be:

- 1) Meet the budget challenge and prioritize the spending of funds.
- 2) Review and examine existing programs to ensure that they are relevant and are not wasteful of funding.
- 3) Select a new president to carry out the mission of the University.

3. In the coming months, the Board of Regents will be called upon to select a new President. What will be qualifications that you consider most important? What do you feel are the most important duties of the President, and what kind of relationship should exist between the Board and the President?

The new President must have extensive leadership experience and management experience in education, business, public and/or government service. He must demonstrate the capacity to lead an organization as complex and as diverse as the University of Hawaii. The new President must have experience in academia including a record of excellence in teaching and research at a university and have demonstrated the capability to fundraise and to work with elected public officials. Finally, the new President must have a respect for local culture, its people and local values.

The President of the University is the University's chief executive officer. The President's principal duty is to carry out the policies and programs established by the Board of Regents. The President works with the Board of Regents in the formulation and implementation of strategic and budget plans to advance the University's mission and goals.

The President is responsible for the administration of the University and for providing academic leadership for the University. The President oversees all of the campuses in the University of Hawaii system and establishes the goals and objectives for the chancellors of each campus. He is responsible for fiscal management of the University and compliance with applicable policies, laws, rules and regulations.

The President serves at the pleasure of the Board of Regents and reports to the Board of Regents. The effectiveness of the President is measured by the President's success in carrying the policies and programs which are established by the Board.

4. We are currently faced with an unprecedented budget crisis. What ideas do you have for generating revenue for the University and how we approach any cuts that have made within the budget?

The University is funded by the State, by tuition, by Federal and private research grants, by private giving and by the sale of University invention patents and licenses.

In light of decrease funding by the State, the University needs to look towards increasing its other sources of funding. It needs to review the tuition policy to see whether there is any room to increase the tuition being paid by its 53000 enrolled students. While an increase of tuition would provide a certain amount of immediate relief from the budget crisis, any increase in tuition must be weighed against its effect on the students who must pay the tuition increase and the University's commitment to access.

The University needs to consider the availability of untapped Federal and private research grants and apply for them. Securing available grants in areas where the University has a reputation for excellence such as marine science and astronomy would assist in overcoming the budget deficit.

The University needs to continue its effort on fundraising. The University of Hawaii Foundation which is charged with the job of institutional advancement and fundraising, must be persistent in its pursuit of large gifts, planned giving and cultivation of the University of Hawaii alumni. The University of Hawaii has a large group of alumni who live and work in Hawaii. Statistics indicate that only 8% of the University's alumni donate to the University. As an alumnus, I have seen a more intense effort to solicit donations from the University's alumni in the last five years. The University needs to develop a plan to elicit greater participation by alumni in donating to the University.

Finally, while we consider alternative sources of funds, existing uses of funds need to be reviewed. For example, there needs to be an evaluation of the University's programs for effectiveness and relevancy. Programs which are ineffective or irrelevant should be discontinued thereby conserving resources.

5. How do you view the role of the system as it relates to the 10 campuses? Do you feel that the relationship as it exists now should be changed? How will you ensure equity of resources across all campuses?

The University of Hawaii, a system of ten campuses, appears to work well and should remain in place. I believe that the intent of the system approach is to provide an integrated system whereby students can articulate between the community colleges and the universities to meet their individual educational goals. The system approach allows more students to have an opportunity to receive higher education and to graduate with a bachelor's degree.

With respect the allocation of resources, I do not believe resources can or should be allocated equitably across all campuses. Resources should be allocated based on the needs and merits of the programs featured at the various campuses. Each campus must justify its needs and resource requirements.

6. What kind of relationship do you feel should exist between the University and the Legislature? More specifically, how would you view the relationship between the Board of Regents and the Legislature?

While the University of Hawaii is an autonomous institution, the University and the Legislature must work together so that the University can be responsive to the needs of the community. There should be open communication between the University and the Legislature.

Similarly, the Board of Regents and the Legislature needs to work together in order to have a better University. Again, there should be open communication between the Board and the Legislature. Decisions should be based on whether the item being considered is good for the University. There needs to be mutual respect between the Board and Legislature of each other's opinions and decisions.

7. Do you have any real or perceived conflicts of interest to disclose?

None.



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Past Chair

April 6, 2009

The Honorable Jill N. Tokuda, Chair
Senate Higher Education Committee
Hawaii State Capitol
Honolulu, Hawaii 96813

Re: Letter of Recommendation – Mr. James H. Q. Lee

Ken Becker
Paul Brown
Robert Kihune
Elizabeth Lacy
Katherine Louie
Yvonne Morris
Michael J. Murakoshi
Debbie Nakanelua-Richards
Raymond Noh
Deborah Noji
David Quandt
Dustin Sellers
Shelley Wilson
Lauren Hong Wright

Dear Chair Tokuda and Committee Members:

It is my pleasure to recommend Mr. James Lee in support of his nomination to the University of Hawaii Board of Regents.

For the past 17 years, Mr. Lee has been a staunch supporter and contributor to both the Big Brothers Big Sisters of Honolulu Agency (Agency), and the Big Brothers Big Sisters Foundation (Foundation) as a Board Member, donor, fundraiser, and pro bono business and legal advisor. James currently serves on the Foundation Board of Directors, a separate nonprofit entity that raises money to fund our Agency's youth mentoring programs.

At different times over his nearly two decades of service, James served as Chair of both our Foundation and Agency Boards. His overall efforts helped our Agency grow from 12 employees serving 300 children per year, with a \$600,000 budget, to 25 employees serving 900 children each year, with a \$1.5 million budget.

James is highly professional in all of his dealings with our employees, volunteers and the families we serve. He is a dedicated and effective leader who brings people together to take action that is always in the best interests of the organization and the people it serves.

James is the most generous and community-minded individual I know. He has an overwhelming commitment to help as many community causes as he is able. He is always willing to share his time, resources and professional expertise to serve in whatever capacity an organization can best use his talents.

In addition to all of the above, James Lee is a man of great character and integrity. I highly recommend him to you.

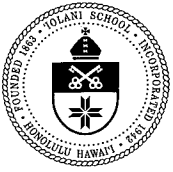
Sincerely,

Dennis Brown
President/CEO

Ambassador Advisory
Council
J.P. Damon
John Fink
Dennis Francis

Honorary Director
Chef Sam Choy

President/CEO
Dennis Brown



IOLANI SCHOOL

April 7, 2009

The Honorable Jill N. Tokuda
The State Senate Committee on Higher Education Chair
Hawaii State Capitol, Room 218
415 South Beretania Street
Honolulu, HI 96813

Dear Senator Tokuda:

This letter of recommendation is in full support of James H. Q. Lee for the nomination by Governor Lingle for a seat on the University of Hawai'i's Board of Regents.

James is a graduate of `Iolani School and the University of Hawai'i. These two schools have played significant roles in shaping his life, work, sense of responsibility and family values.

James leads by conviction, perseverance and hard work. His leadership abilities enable him to harness the commitment of others and tackle a project while being mindful of the challenges and issues at hand. No task is too daunting for James as he miraculously juggles time sensitive schedules to meet deadlines.

Personal responsibility is in James' heart as he lives and works in the community. Just like the Chinese proverb, "When you drink from the stream...remember the source," James continually gives back to his source, `Iolani and Hawai'i, by serving youth, engaging families, supporting local/state needs and helping those who call upon him for his leadership and expertise. He is the master of relationship building and never leaves a "need" unattended to.

James Lee has a long history of service. Once you secure James for a project, he will be there until the finish line is reached...even if it takes years, if the path is unsteady or the trail leads uphill. Below you will find a list of a few of James' accomplishments for `Iolani School:

- 2000 Alumni Service Award Recipient
- Headmaster's Leadership Campaign Committee member: Building Futures (Goal: \$45,000,000)
- 2001 Chair of the `Iolani Family Fair
- Headmaster's Visionary Committee advising Dr. Iwashita (8 member committee)
- Member of the highest Major Donor gift level
- Estate Planning attorney bringing large estate plans to `Iolani
- Relationship building in China & Canada
- Unprecedented "in-kind" donations through his businesses
- Consultant services (pro bono) to the `Iolani School Office of Institutional Advancement

The Honorable Jill N. Tokuda
April 7, 2009
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From James I have learned the beauty of humility, the grace of persuasion and the power of the word "yes". I ask you seriously consider James Lee for a seat on the Board of Regents. Our educational institutions need leaders in the community and at the board table like James Lee. I promise you...James will be there for both.

Sincerely,

A handwritten signature in black ink that reads "Jane R. Heimerdinger". The signature is written in a cursive style with a long, sweeping tail on the final letter.

Jane R. Heimerdinger
Director of Institutional Advancement

**Terrance W.H. Tom
Attorney At Law
Central Pacific Plaza
220 South King Street, Suite 1675
Honolulu, Hawaii 96813
Phone: (808) 521-2333
Fax: (808) 538-3289**

April 7, 2009

To: The Honorable Jill Tokuda, Chair Person, and to Members of the Senate
Higher Education Committee,

From: Terrance W.H. Tom

RE: Confirmation of James H.Q. Lee to the University Board of Regents

It is my honor and privilege to submit a letter of strong support of my legal colleague and dear friend James H.Q. Lee to be confirmed as a member of the University Board of Regents.

I have known James for almost thirty years when he was attending the William S. Richardson School of Law. As a law student, James clerked for me at my private law office. What made our relationship special was that, as a blind attorney, I required a law clerk at court to "act as my eyes", and James possessed the sensitivity, care, and intelligence to act in my best interest.

As we have progressed in our careers, we have continued to maintain our close friendship.

In these fiscally troubled times, our University system will require dedicated, committed, and smart leaders willing to step out of the box, be fiscally responsible, and to make the tough decisions in shaping and guiding our higher education goals and objectives. I know James will be committed in giving his 110 percent of his time and energy to the regents because he is "local grown" in Hawaii, and loves the people, customs, and traditions unique to our Hawaiian culture.

I humbly ask for this Committee's support of James H.Q. Lee to serve on the University Board of Regents.

Aloha,


Terrance W.H. Tom

DEVENS, NAKANO, SAITO, LEE, WONG & CHING

ATTORNEYS AT LAW

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OF COUNSEL: BART M. KOZA • TERRANCE W.H. TOM

PAUL DEVENS (RETIRED) • JAMES A. NAKANO* (RETIRED) • WILFRED H.C. YOUTH (RETIRED)

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April 7, 2009

Senator Jill Tokuda and members of the Senate
Higher Education Committee
Hawaii State Capital, Room 218
415 South Beretania Street
Honolulu, Hawaii 96813

Re: James H. Q. Lee for the University of Hawaii
Board of Regents

Dear Honorable Senator Jill Tokuda and Members of the
Senate Higher Education Committee:

My name is Thomas J. Wong, and this letter is in support of the nomination of James H.Q. Lee to the University of Hawaii Board of Regents.

I am a partner with the law firm of Devens, Nakano, Saito, Lee, Wong & Ching. I have known James Lee for over 25 years. We both started at this law firm as associates, then junior partners, and now named partners of this law firm. I also attended the University of Hawaii, Richardson School of Law with James Lee. Over these years that I have known and worked with James Lee, I found him to be hard working, compassionate in his beliefs, and committed to what he does. He will certainly bring these traits to the Board of Regents.

James Lee graduated from Iolani School, and excelled while at Iolani. James could have gone to any prestigious college on the mainland. However, James chose to attend the University of Hawaii for his undergraduate degree in accounting, and then obtained his law degree from the University of Hawaii, Richardson School of Law. He chose to do this because of his belief that an individual can get a quality education at the University of Hawaii. I am sure that James Lee, if appointed to the Board of Regents, will make decisions that are in the best interest of the University.



DEVENS, NAKANO, SAITO, LEE, WONG & CHING

ATTORNEYS AT LAW

Senator Jill Tokuda and members of the Senate
Higher Education Committee


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April 7, 2009

Therefore, I strongly request that you do the right thing and support the nomination of James H. Q. Lee to the Board of Regents of the University of Hawaii.

Very truly yours,

DEVENS, NAKANO, SAITO,
LEE, WONG & CHING

By 
Thomas J. Wong

TJW:mp



STEVEN J.T. CHOW
745 Fort Street, Fort #1415
Honolulu, Hawaii 96813

April 7, 2009

FACSIMILE #587-7220
Honorable Jill N. Tokuda
Chairperson, Higher Education Committee
Hawaii State Senate, State Capitol Room 218
Honolulu, Hawaii 96813

Re: Testimony On The Nomination of James H.Q. Lee To The Board of Regents, University of Hawaii; Thursday, April 9, 2009, 1:15 p.m. Conf Room 225.

Dear Chairperson Tokuda and Higher Education Committee Members:

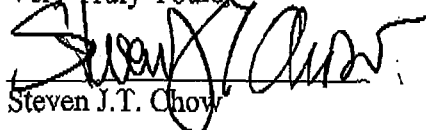
My name is Steven J.T. Chow and I am writing in support of the nomination of James H.Q. Lee to the Board of Regents ("Board"), University of Hawaii. I ask that you please consider my testimony based on my personal knowledge of Mr. Lee.

I am a licensed attorney and have known Mr. Lee since 1978, when he and I attended law school together at the William S. Richardson School of Law. During law school, I got to know Mr. Lee quite well as we were in the same study group together for three years. I had regular contact with Mr. Lee on a day-to-day basis and he had always shown me to be a tireless worker who communicates well with everyone that works with him. He was always prepared and exhibited excellent "common sense" in his approach to issues and was well respected as being "fair" in his approach to problem solving. I have no doubt he will bring the same high level of preparedness, work product, communication skills and enthusiasm to the Board.

Since graduating from law school together, I have maintained contact with Mr. Lee and have seen him succeed in both business and the practice of law. I know Mr. Lee will bring to the Board of Regents a wealth of practical experience and knowledge as a businessman, CPA and lawyer which the Board will definitely need as it leads the University of Hawaii through these tough economic times.

The above is my humble opinion based upon my personal knowledge of and experience with Mr. Lee and I would urge you to please support his nomination to the Board of Regents, University of Hawaii. I would be happy to provide you with any additional information. You can contact me at (808)523-2999, ext. 208 or by email at schow@paclawgroup.com. Thank you once again for your time and consideration.

Very Truly Yours,


Steven J.T. Chow